IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS – LUFKIN DIVISION

HEARING COMPONENTS, INC.,

a Minnesota corporation,

Plaintiff

v. : Civil Action No. 9:07-cv-104 : JURY TRIAL DEMANDED

SHURE, INC., an Illinois corporation,

Defendant.

COMPLAINT

Plaintiff, Hearing Components, Inc. ("Hearing Components" or "Plaintiff"), for its Complaint against Defendant Shure, Inc. ("Shure" or "Defendant"), upon knowledge as to its own acts, and upon information and belief as to all other matters, hereby alleges as follows:

JURISDICTION AND VENUE

- 1. Count I of the Complaint is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This Court has jurisdiction over the subject matter of Count I under 28 U.S.C. §§ 1331 and 1338(a). Venue is proper in this judicial district under 28 U.S.C. §§ 1391(b) and 1400(b).
- 2. Plaintiff Hearing Components is a corporation organized and existing under the laws of the State of Minnesota, with its principal place of business at 420 Hayward Avenue North, Oakdale, Minnesota, 55128.

3. Defendant Shure is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business at 5800 W. Touhy Avenue, Niles, Illinois, 60714.

COUNT ONE - PATENT INFRINGEMENT

- 4. Plaintiff repeats and realleges the allegations of paragraphs 1 through 3 as if set forth herein.
- 5. On November 14, 1989, United States Letters Patent No. 4,880,076 (hereinafter referred to as the "076 Patent"), entitled HEARING AID EAR PIECE HAVING DISPOSABLE COMPRESSIBLE POLYMERIC FOAM SLEEVE, was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '076 Patent is attached as Exhibit A to this Complaint.
- 6. On March 26, 1991, United States Letters Patent No. 5,002,151 (hereinafter referred to as the "151 Patent"), entitled EAR PIECE HAVING DISPOSABLE COMPRESSIBLE POLYMERIC FOAM SLEEVE, was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '151 Patent is attached as Exhibit B to this Complaint.
- 7. On March 28, 1995, United States Letters Patent No. 5,401,920 (hereinafter referred to as the "920 Patent"), entitled CERUMEN FILTER FOR HEARING AIDS, was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '920 Patent is attached as Exhibit C to this Complaint.
- 8. Hearing Components is the assignee and owner of the right, title and interest in and to the '076 Patent, the '151 Patent, and the '920 Patent, (collectively, the "Hearing

Components Patents"), including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of them.

- 9. Without license or authorization, Shure has been infringing the Hearing Components Patents, and contributing to and actively inducing the infringement of said patents by others, in the United States by making, using, selling, offering for sale, and/or importing into the United States, including within this judicial district, certain audio devices and systems that embody the inventions claimed in the Hearing Components Patents. These include the products sold under Shure's line of earphones, including, but not limited to, the SE and E model lines. Such acts constitute infringement under at least 35 U.S.C. §§ 271(a), (b), and (c).
- 10. Without license or authorization, Shure has been infringing the Hearing Components Patents by supplying or causing to be supplied in or from the United States all or a substantial portion of the components of the systems or methods claimed in the Hearing Components Patents, where such components are uncombined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe the Hearing Components Patents if such combination occurred within the United States. Such acts constitute infringement under at least 35 U.S.C. § 271(f).
- 11. On information and belief, Shure has known of the existence of the Hearing Components Patents since at least shortly after the issuance of each one. On information and belief, Shure's acts of infringement as set out in the previous paragraphs have been deliberate and willful, and in reckless disregard of Plaintiff's patent rights.

12. Plaintiff has been damaged by Shure's infringing activities. On information and belief, Shure will continue its infringing activities, and continue to damage Plaintiff, unless enjoined by this Court. Plaintiff has no adequate remedy at law.

WHEREFORE, Plaintiff respectfully demands judgment for itself and against Shure as follows:

- That this Court adjudge that Plaintiff is the owner of the Hearing Components a. Patents and that Plaintiff has all the rights of recovery under the Hearing Components Patents;
- b. That this Court adjudge that the Hearing Components Patents have been infringed by Shure;
- That this Court issue an injunction, enjoining Shure and its officers, agents, c. servants and employees, privies, and all persons in active concert or participation with it, from further infringement of said patents;
- d. That this Court ascertain and award Plaintiff damages sufficient to compensate it for the infringement and that the damages so ascertained be trebled and awarded to Plaintiff with interest;
- e. That this Court find this case to be exceptional and award Plaintiff its attorneys fees, costs and expenses in this action; and
- f. That this Court award Plaintiff such other relief as the Court may deem just and proper.

Dated: May 2, 2007 Respectfully submitted,

/s/ Eric H. Findlay

Eric H. Findlay (Lead Attorney)

Ramey & Flock PC 100 E. Ferguson, Suite 500 Tyler, TX 75702-0629 Tel. (903) 510-5213 Fax (903) 597-2413

E-mail: efindlay@rameyflock.com

Clayton E. Dark, Jr. State Bar No. 05384500 Law Office of Clayton E. Dark, Jr. P.O. Box 2207 Lufkin, TX 75902 Tel. (936) 637-7133 Fax (936) 637-2897

E-mail: cekrad@yahoo.com

OF COUNSEL:

Kevin M. Flannery (Pro Hac Vice to be filed) Jacob A. Gantz (Pro Hac Vice to be filed) Dechert LLP Cira Centre 2929 Arch Street Philadelphia, PA 19104-2808 Tel. (215) 994-4000 Fax (215) 994-2222

E-mail: kevin.flannery@dechert.com E-mail: jay.gantz@dechert.com